

## Article - Education

[\[Previous\]](#)[\[Next\]](#)

§23-504.

(a) (1) Subject to paragraph (2) of this subsection, a public library shall reimburse the State annually for the employer contributions made by the State for an employee who:

(i) Is a member of the Teachers' Retirement System or the Teachers' Pension System under Division II of the State Personnel and Pensions Article; and

(ii) Is receiving a salary funded by a source other than State or local aid.

(2) To the extent that an employee's salary is funded in part by sources other than State or local aid, the public library shall reimburse the State a pro rata share of the State's payment based on the percentage of the employee's salary funded by a source other than State or local aid.

(b) (1) To ensure that each public library is properly reimbursing the State as provided under subsection (a) of this section, the State Library Board or, at the State Library Board's request, a public library may at any time examine the records of public libraries to determine whether the State's payments for retirement contributions for employees of the public libraries are in accordance with the provisions of Division II of the State Personnel and Pensions Article.

(2) An audit conducted under paragraph (1) of this subsection may be:

(i) Included with an existing annual financial audit as a supplemental part and tested independently;

(ii) Conducted in conjunction with a supplemental federally mandated single audit of federal financial assistance programs and tested independently; or

(iii) Conducted as a separate independent audit.

(c) (1) (i) If an examination of the records of a public library shows that the State has paid more than is required under Division II of the State Personnel and Pensions Article, within 30 days after the date of the notice to the library of the

State overpayment, the public library may appeal the notice of State overpayment to the Secretary of Budget and Management who shall appoint a hearing examiner.

(ii) The hearing examiner shall make recommendations to the Secretary of Budget and Management who shall make a final determination regarding the amount, if any, of the State overpayment.

(2) If a public library does not appeal to the Secretary of Budget and Management or if the Secretary of Budget and Management determines that the State is due reimbursement for excess payments as provided in paragraph (1) of this subsection, at the request of the State Library Board the money owed shall be deducted from any other State funds that would otherwise be paid to the public library.

(3) For purposes of the Administrative Procedure Act, an appeal taken under this section is not a contested case.

(d) (1) Any reimbursements under subsection (a) of this section:

(i) Shall be applied first to the cost of any audit or portion of any audit relating to subsection (a) of this section to reimburse either the State Library Board or the public library for the expenses of the audits; and

(ii) After reimbursement to the State Library Board or public library under item (i) of this paragraph, shall be credited to the General Fund.

(2) If an audit under this section is performed by a public library, before the public library is reimbursed under paragraph (1)(i) of this subsection, the public library shall provide documentation to the State Library Board that the incremental costs of the audit incurred by the public library are reasonable.

[\[Previous\]](#)[\[Next\]](#)